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MEC HELLFING

MAST GERMAN SITUATION

- 1. Detention of American congressmen probably first of series of new Communist harassments designed to force Western recognition of East Germany and its authority over East Serlin.
 - A. Since incident East Gorman press has emphasized East German sovereignty and authority over East Lerlin.
 - B. Soviet Commandant in Berlin, General Dibrova claims that East Germany has authority in East Berlin and not Soviet Union.
- II. GDR will try to make Allied visitors to East Berlin subject to East German laws.
 - A. Western acceptance would imply recognition of Sast German authority over Soviet sector.
- III. East Germans on 2 December claimed jurisdiction extends to GDE operated elevated rail system in West Berlin.
 - A. Will probably press for jurisdiction over elevated stations in West Berlin, but probably no immediate intention of severing elevated service between East and West Berlin.
 - There is at present so alternative means of transport to substitute for elevated service

25X1X7

consecting East Berlin and several East German cities.

- IV. East Germans now demanding West Germany discuss on ministerial level barge traffic to Berlin.
 - A. Barge traffic may be interferred with, and possibly stopped, at end of year unless Boan agrees to ministerial negotiations.
 - 1. West can retaliate against substantial freight movements by barge from Hamburg to East Germany.
 - E. In 1954 barges carried 23 percent of all freight to Berlin and 18 percent of that from Berlin.
 - 1. During the first half of 1955 the percentage carried by barges decreased slightly.
 - 2. If barge traffic stopped, 60 percent of normal barge cargoes which carry primarily coal and other industrial materials, could be diverted to unused rail capacity.
 - a. However, existing truck capacity could probably not be diverted.
 - C. West Berlin has large stockpiles on hand, including coal and food staples.
 - Welfare of Serlin people, therefore, would not be seriously threatened unless all transport stopped at once.
 - a. Recent unconfirmed reports suggest that

25X1X7

East Germany will place tolls on Western aircraft using the air corridors to Berlin.

- (1) This is not, however, considered likely because Seviet Union would not be willing to accept risk of serious incident.
- there will probably not be full blockade in near future since USSR realizes West would take strong countermeasures, i.e., airlift.
- V. East Germany announced on 5 December compulsory East German insurance for all Western vehicles driven in East Germany.
 - A. This law will probably include East Berlin, though announcement did not specifically refer to East Berlin.
 - B. Based on September law which becomes effective
 I January 1956.
 - 1. Gives East Germany power to collect exorbitant insurance fees.
- VI. Further harassment could include restrictions on movements of Berliners between East and West Berlin.
 - A. Various restrictions on West German access to Berlin through East Germany also probable, e.g., trucking, other vehicles and movement of people.

25X1X7

- A. This development alone not indicative of any intention to refrain from harassing West for time being.
- B. Purpose of Chinese trip probably to enhance international prestige of East Germany and perhaps to sign friendship treaty.